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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DGS FOREIGN TRADING (SHIPPING) LTD.

Petitioner

vs.

CHS, INC.

Respondent.

10-CV-9131 (KPC)

**DECLARATION OF ROBERT G.
CLYNE IN SUPPORT OF PETITION
TO VACATE AWARD OF
ARBITRATORS DATED
SEPTEMBER 8, 2010**

I, ROBERT G. CLYNE, an attorney duly admitted to practice before this Honorable Court, declare under penalty of perjury as follows:

1. I am a member of Hill Rivkins LLP, attorneys for Petitioner, DGS Foreign Trading (Shipping) Ltd. ("DGS"), in the present action.
2. I make this declaration in support of DGS' Petition to Vacate the Award of Arbitrators (the "Award") dated September 8, 2010.
3. A true and accurate copy of the Confirmation of Purchase and Sale, GISM Rules, and NAEGA No. 2 contract standard terms, which together comprise the contract ("the Contract") entered into between DGS and Respondent CHS, Inc. ("CHS") is attached hereto as Exhibit A.

4. On June 23, 2009, Petitioner demanded arbitration in accordance with the Contract's arbitration clause. A true and correct copy of the Demand for Arbitration is attached hereto as Exhibit B.
5. On July 24, 2009, Respondent filed its Answer to DGS' Statement of Claim. A true and accurate copy of Respondent's Answer is attached hereto as Exhibit C.
6. Thereafter, a Panel was selected and pre-hearing scheduling and discovery ensued.
7. On November 6, 2009, Respondent filed a Counterclaim, and on November 27, 2009, Respondent filed an Amended Counterclaim. A true and accurate copy of Respondent's Counterclaim and Amended Counterclaim are attached hereto as Exhibit D.
8. On December 28, 2009, Petitioner filed an Answer to Respondent's Amended Counterclaim. A true and accurate copy of DGS' Answer to Respondent's Amended Counterclaim is attached hereto as Exhibit E.
9. Pursuant to the Panel's Scheduling Order, the evidentiary hearings took place beginning on February 9, and concluded on February 12, 2010.
10. During the course of the arbitration proceedings, Petitioner discovered that on September 26, 2010, when the M/V SAGALAND was 5th in line to load, the Respondent, caused the vessel to be placed towards the back of the line-up. A true and accurate copy of the vessel line-up, which was produced by Respondent and introduced in the arbitration, is attached hereto as Exhibit F.
11. True and accurate copies of relevant pages of DGS' Post-Hearing Brief, wherein it briefed the Panel on the applicable law, are attached hereto as Exhibit G.

12. A true and accurate copy of the relevant pages of Albert Slabotsky, *Grain Contracts and Arbitration For Shipments from the United States and Canada*. Lloyds of London Press, 1984, cited by the Panel in its Award, are attached hereto as Exhibit H.

13. On September 8, 2010, the Panel rendered its award in this matter, in which it denied the claims and counterclaims of the parties and ordered that the costs of the arbitration be split between the parties. A true and accurate copy of the Award is attached hereto as Exhibit I.

14. Pursuant to Rule 30 of the International Center for Dispute Resolution Rules ("ICDR Rules") of the American Arbitration Association, on October 7, 2010, Petitioner sought interpretation, clarification, modification, and/or reconsideration of the Award.

15. On October 27, 2010, the Panel issued an Order denying the request for modification of the Award and advising the parties that, "The Tribunal believes that the award properly explains the reasoning of the arbitrators considering that it is actually a decision by the majority of the Tribunal." A true and correct copy of the Disposition of Application for Modification of Award of Arbitrators issued on October 27, 2010, is attached hereto as Exhibit J.

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on the 7th day of December, 2010
at New York, NY.


Robert G. Clyne